

ATTORNEYS AT LAW

FOLGER LEVIN & KAHN LLP

Embarcadero Center West
275 Battery Street, 23rd Floor
San Francisco, California 94111
Telephone 415.986.2800
Facsimile 415.986.2827

August 19, 2005

Los Angeles Office:
1900 Avenue of the Stars, 28th Floor
Los Angeles, California 90067
Telephone 310.556.3700
Facsimile 310.556.3770

www.flk.com

VIA FEDERAL EXPRESS

Honorable Jeremy Fogel
United States District Court
Northern District of California
280 South First Street Courtroom 3
San Jose, CA 95113

Re: *All American Semiconductor, Inc. v. Meyers, et al.*
U.S. District Court Case No.: C 03-01896 JF (PVT)

Your Honor:

The purposes of this Stipulation is to avoid a trial, presently set for October 21, 2005, on only some of the claims asserted in this action and to permit Defendants to seek an appeal on this Court's prior rulings granting summary adjudication on Plaintiff's first claim for declaratory relief (finding that there was no enforceable long-term employment agreement between the parties) and also permitting an immediate appeal of the Court's Order, dated May 11, 2004, granting Plaintiff's motion for summary adjudication on all of Defendants' claim for relief in their counterclaims (with the exception of Defendant Michael Zaldivar's claim from breach of oral contract for relocation expenses). Pursuant to the Stipulation, the pending claims would be dismissed without prejudice and with the right of the parties to re-file such claims after determination of the appeal. Without the Stipulation, the parties would be forced to proceed with a trial in October on some of the claims before the Defendants would have the opportunity to appeal the prior summary adjudication rulings. Both parties believe that it would be in the interest of judicial efficiency for the Court enter the enclosed Order, thereby avoiding a partial trial in October 2005 and permitting an immediate appeal.

Should the Court have any questions regarding the Stipulation, the parties would be available for a telephonic conference call to address them, at the Court's convenience.

Respectfully submitted,



Samuel R. Miller

Enclosure

cc: Mark Adams via e-mail

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1 FOLGER LEVIN & KAHN LLP
2 Samuel R. Miller (SB# 066871)
3 Julie L. Fieber (SB# 202857)
4 275 Battery Street, 23rd Floor
5 San Francisco, CA 94111
6 Telephone: (415) 986-2800
7 Facsimile: (415) 986-2827

8 Attorneys for All American Semiconductor, Inc., All
9 American IDT, Inc., and Bruce Goldberg

10 UNITED STATES DISTRICT COURT CALIFORNIA

11 NORTHERN DISTRICT OF CALIFORNIA

12 SAN JOSE DIVISION

13 All American Semiconductor, Inc., a
14 Delaware Corporation,

15 Plaintiff,

16 Jeffrey P. Meyers, an individual; David
17 Schultz, an individual; and Michael
Zaldivar, an individual.

18 Defendants.

19 And Related Counterclaim

20 Case No. C 03-1896 JF (PVT)

21 **STIPULATION AND [PROPOSED]
22 ORDER OF FINAL JUDGMENT**

23 No Hearing Required

24 Judge: The Honorable Jeremy Fogel
25 Trial Date: June 24, 2005

26 Plaintiff All American Semiconductor, Inc., counter-defendants All American IDT, Inc.
27 and Bruce Goldberg, and Defendants Jeffrey Meyers, David Schultz, and Michael Zaldivar
28 (collectively "Defendants"), by and through their attorneys of record, hereby stipulate as follows:

29 WHEREAS the Court has previously granted summary adjudication in favor of Plaintiff
30 on its claim for declaratory judgment that Defendants have no enforceable agreement for
31 severance with Plaintiff or counter-defendant All American IDT, Inc.; and

32 WHEREAS the Court has also granted summary adjudication in favor of Plaintiff on
33 Defendants' counterclaims for breach of contract and other claims related to their alleged

1 severance agreement; and

2 WHEREAS, Defendants have stated that they intend to appeal these prior summary
3 adjudication orders by the Court; and

4 WHEREAS, trial of the claims remaining in this matter is now set for October 21, 2005;
5 and

6 WHEREAS, the parties wish to ensure that all issues in this case are resolved in a single
7 trial, and wish to avoid the possibility that issues be bifurcated and resolved through two separate
8 trials;

9 THEREFORE, IT IS STIPULATED AS FOLLOWS:

10 1. Plaintiff All American Semiconductor, Inc. hereby dismisses, without prejudice,
11 its second claim for relief for fraud and deceit, its third claim for relief for negligent
12 misrepresentation, and its fourth claim for relief for breach of fiduciary duty against all
13 Defendants;

14 2. Defendant Michael Zaldivar hereby dismisses, without prejudice, his claim for
15 breach of contract with respect to an alleged oral contract for relocation expenses, which is the
16 only claim remaining on Defendants' counterclaim against All American Semiconductor, Inc.,
17 All American IDT, Inc., and Bruce Goldberg;

18 3. The parties hereby move the Court to enter the attached order of final judgment,
19 making final the Court's prior summary adjudication orders in this case;

20 4. The parties agree that Defendants may thereafter pursue an appeal of that final
21 judgment;

22 5. The parties agree that with respect to those claims dismissed by the parties
23 pursuant to this stipulation, the relevant statutes of limitations shall be considered tolled from the
24 date of execution of this stipulation through the final determination of any appeal of this order of
25 final judgment;

26 6. The parties further agree that upon the final determination of any appeal of this
27 order of final judgment, each of the parties may re-file in this Court and re-assert the claims
dismissed without prejudice pursuant to this stipulation, joining them with any claims remanded

1 pursuant to the final determination of the appeal, so that a single trial may be had on all of the
2 issues in dispute between the parties;

3 7. The parties further agree that none of them shall assert as a defense to any claim
4 dismissed and then re-asserted after appeal, pursuant to this stipulation, any defense based on
5 either the statutes of limitations or laches, provided that any such claim is re-asserted within thirty
6 days of the final determination of the appeal.

7 IT IS SO STIPULATED.

Dated: August 11, 2005

FOLGER LEVIN & KAHN LLP

Samuel R. Miller
Attorneys for

All American Semiconductor, Inc., All American IDT,
Inc. and Bruce Goldberg

13 Dated: August 10, 2005

SAMUELS, GREEN, STEEL, & ADAMS, LLP

—Mark S. Adams

Attorneys for Defendants

Jeffrey Meyers, David Schultz, and Michael Zaldivar

ORDER

Pursuant to the above stipulation of the parties, and good cause appearing,

IT IS HEREBY ORDERED as follows:

1. The Court's Order dated December 10, 2003, granting Plaintiff's motion for summary adjudication on Plaintiff's first claim for declaratory relief, and finding that there was no employment agreement between the parties, and the Court's Order dated May 11, 2004, granting Plaintiff's motion for summary adjudication on all of Defendants' claims for relief in their

counterclaims, except with respect to Defendant Michael Zaldivar's claim for breach of an alleged oral contract for relocation expenses, constitute the final judgment in this action.

2. Defendants may thereafter pursue an appeal of the final judgment.

Dated: 8/25 , 2005

/s/electronic signature authorized

The Honorable Jeremy Fogel
United States District Judge

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